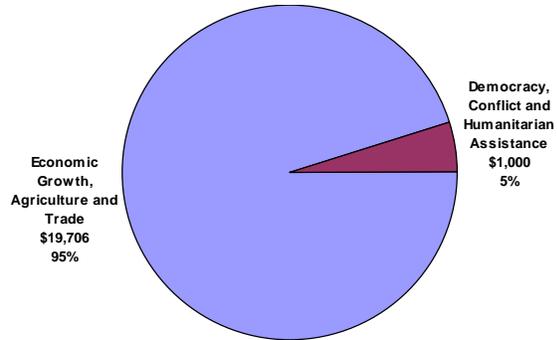
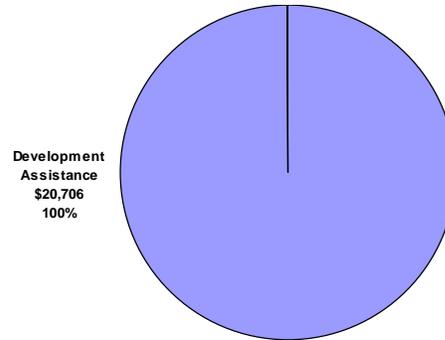


Office of Private and Voluntary Cooperation

FY 2006 Assistance by Sector



FY 2006 Assistance by Account



Objectives and Budget

Objective	SO Number	FY 2004	FY 2005	FY 2006
Local NGO Capacity Enhanced	963-002	22,965	21,806	20,206
Strengthen Civil Society	963-003		500	500
Total (in thousands of dollars)		22,965	22,306	20,706

Director: Judith Gilmore

**Office of Private and Voluntary Cooperation
PROGRAM SUMMARY**

(in thousands of dollars)

Accounts	FY 2003 Actual	FY 2004 Actual	FY 2005 Current	FY 2006 Request
Development Assistance	25,512	22,965	22,306	20,706
Total Program Funds	25,512	22,965	22,306	20,706

STRATEGIC OBJECTIVE SUMMARY				
963-001 Capabilities of U.S. PVOs increased				
DA	16,448	0	0	0
963-002 Local NGO Capacity Enhanced				
DA	9,064	22,965	21,806	20,206
963-003 Strengthen Civil Society				
DA	0	0	500	500

Data Sheet

USAID Mission:	Office of Private and Voluntary Cooperation
Program Title:	Local NGO Capacity Enhanced
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	963-002
Planned FY 2005 Obligation:	\$21,806,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$20,206,000 DA
Year of Initial Obligation:	2003
Estimated Year of Final Obligation:	2007

Summary: The objective of the program is to enhance the organizational capacities of local nongovernmental organizations (NGO) and local cooperatives to deliver development services in selected countries. The Office of Private and Voluntary Cooperation (PVC) funding serves to identify best practices in organizational development that are then disseminated to USAID field missions and other offices that implement technical service delivery programs through local NGOs. By focusing on the organizational development aspects of service delivery in the field, the PVC Office supports the efforts of much of the rest of the Agency by focusing on how best to ensure the sustainability, effectiveness and accountability of the local organizations providing services beyond the period of USAID investment. This program thus provides an essential complement to other more technically oriented "capacity building" activities throughout the Agency.

Inputs, Outputs, Activities:

FY 2005 Program: Strengthen Civil Society (\$21,806,000 DA): Funding will continue to be provided to private voluntary organizations (PVOs) and cooperatives to help strengthen the organizational capabilities of hundreds of local NGOs in a range of countries around the world. The purpose of these activities is to strengthen local NGOs, cooperatives, and networks. In the process of strengthening these local organizations, lessons learned and best practices will be extracted and shared with other PVOs, NGOs, and cooperatives worldwide. The NGO Strengthening Program (NGOSSP) and the Cooperative Development Program (CDP) will continue support for these five-year programs through such organizations as World Relief (Burundi and the DRC); World Learning (Angola); Save the Children (Nepal) and Pan American Development Foundation (Haiti) under the NGOSSP and Land O'Lakes, Inc. (South Africa, Tanzania, Uganda), National Rural Electric Cooperative Association (Africa Regional, Bolivia, Central America Regional, Dominican Republic, Philippines) and World Council of Credit Unions (Afghanistan, Ecuador, Kenya, Nicaragua, Philippines) under the CDP.

A series of grants to field-based activities initiated in FY 2003 and FY 2004 directly strengthen hundreds of local NGOs and cooperatives and, in the process, identify key organizational components (e.g., leadership, strategic planning, administration, customer responsiveness, financial management) of NGOs, cooperatives and networks of NGOs that require strengthening. With a combined funding level of \$14.5 million in 2005 (\$6.2 million for the NGO Strengthening Program, \$5.5 million for the Cooperative Development Program, and \$2.8 million for the Matching Grants Program), these activities will also strengthen the linkages between cooperatives, NGOs and NGO networks with local governments, private sector enterprises, and local media to further ensure sustainability. Approximately 50 U.S. PVOs and cooperatives implement the grant program in cooperation with hundreds of local organizations. Additional funding of \$1.6 million will be used for other grantees and program support and to provide training for new Agency partners.

Funding also will allow the continuation of a field demand-driven technical assistance program initiated in FY 2003. In FY 2005, the Capable Partners NGO Strengthening Program will provide funding of \$2 million to support technical assistance to field missions' local partners, workshops, and regional NGO networks worldwide to improve their monitoring and evaluation skills. The participating networks will be different from those 15 NGO networks assisted with advocacy skills in FY 2004. The program will

continue to provide broader organizational development assistance directly to NGOs and networks upon request from missions and other USAID operating units and will develop and disseminate information on organizational sustainability that will be available electronically to NGOs worldwide. Primary cooperative agreement for technical assistance: Academy for Education Development; primary sub-grantee: Management Systems International.

A small competitive research program will solicit experiences and lessons learned on specific organizational development topics from the PVO community. Recipients are to be determined.

The Ocean Freight Reimbursement program provides small competitive grants to over 50 U.S. PVOs annually. Funds are used to reimburse the PVOs' costs to transport donated commodities, such as medical supplies, agricultural equipment, educational supplies and building equipment, to support their programs overseas. In FY 2005, \$2.7 million will be used to provide these grants. The Denton program allows PVOs and private citizens to use space available on U.S. military cargo airplanes to transport humanitarian goods and equipment to countries in need. Approximately 50 PVOs implement this program.

USAID manages the small grant program with Peace Corps for grass-roots community development activities. Funding for these small grants comes from mission contributions.

FY 2006 Program: Strengthen Civil Society (\$20,206,000 DA): Grant funding will continue to be provided to PVOs and cooperatives to strengthen the organizational capabilities of local NGOs, NGO networks and cooperatives and to identify best practices in organizational development that can be disseminated throughout the Agency. Approximately 50 PVOs and cooperatives in cooperation with hundreds of local organizations will implement the grant programs.

Funding also will allow the continuation of workshops, technical assistance, and "innovation grants" to selected NGO networks worldwide through a technical assistance cooperative agreement. The skills focus will expand to public-private alliances. The principal technical assistance cooperating agreement partner is the Academy for Educational Development; the primary sub-partner is Management Systems International.

Research studies and the dissemination of information on organizational development and sustainability will continue and expand in FY 2006 as the data base on the experiences of PVC, NGOs and other networks grows.

The Ocean Freight Reimbursement and Denton programs will continue to provide transportation for humanitarian and development commodities to approximately 50 U.S. PVOs annually.

USAID expects the joint USAID and Peace Corps small grant program for grass-root community development activities to continue with mission contributions in FY 2006.

Performance and Results: FY 2004 was the first full year of implementation for the new grants and technical assistance programs funded under this objective. Thus, it was a year of mobilization, as U.S. PVOs and cooperatives initiated work in over 30 countries worldwide with hundreds of local NGOs and cooperatives. As implementation has gotten underway over the past year, the PVC Office has worked with its PVO partners as well as with a large representative sample of local NGOs to gather baseline information on organizational development. This baseline information shows that the local NGOs in general rate themselves quite high in terms of their organizational capacities at the beginning of the program, while their U.S. PVO partners rate these same local NGOs' organizational capacities somewhat lower. This early difference in self-assessment and PVO views was anticipated since the PVOs presumably have a broader perspective on what makes an effective, accountable and sustainable local organization. The local NGOs may be relatively well managed and providing better services compared to other local NGOs; however, once these local NGOs begin to learn more about the full range of organizational development needs and requirements, the assumption is that their organizational self-assessments will decline for at least one or two years before recovering and then improving by the end of

the USAID-funded intervention. The self-assessments also show that local NGOs are more confident in their ability to deliver services to their communities in the short run than they are to manage themselves organizationally and financially over the longer run. By the end of this objective in FY 2007, PVC expects: (1) to see the local NGOs with which it works be more confident in their organizational and financial as well as their technical service delivery capabilities, and (2) to be able to extrapolate key best practices to be disseminated to USAID-funded local NGO activities worldwide.

US Financing in Thousands of Dollars

Office of Private and Voluntary Cooperation

963-002 Local NGO Capacity Enhanced	DA
Through September 30, 2003	
Obligations	6,686
Expenditures	0
Unliquidated	6,686
Fiscal Year 2004	
Obligations	23,038
Expenditures	0
Through September 30, 2004	
Obligations	29,724
Expenditures	0
Unliquidated	29,724
Prior Year Unobligated Funds	
Obligations	0
Planned Fiscal Year 2005 NOA	
Obligations	21,806
Total Planned Fiscal Year 2005	
Obligations	21,806
Proposed Fiscal Year 2006 NOA	
Obligations	20,206
Future Obligations	0
Est. Total Cost	71,736

Data Sheet

USAID Mission:	Office of Private and Voluntary Cooperation
Program Title:	Strengthen Civil Society
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	963-003
Planned FY 2005 Obligation:	\$500,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$500,000 DA
Year of Initial Obligation:	2005
Estimated Year of Final Obligation:	2007

Summary: The objective of this program is to enhance the ability of nongovernmental organizations (NGOs), both U.S. private voluntary organizations (PVOs) and other nonprofit organizations, to attract development investment funding, from USAID, other donors, the private sector, local governments, and other sources, for development activities. By diversifying their funding sources, NGOs lessen their dependence on any one funding entity and thereby potentially increase their chances of financial sustainability. While USAID encourages the formation of new partnerships with, between and among American and local organizations, these organizations often need help in understanding and navigating opportunities to find the most appropriate match of their skills and interests to those of funding entities. In addition, many organizations may be well-intentioned but in need of internal organizational improvement so that they can assure their funding sources that they are high quality, effective and accountable partners. USAID will provide very modest training and information services only and will not directly fund any organizational strengthening grants under this objective.

Inputs, Outputs, Activities:

FY 2005 Program: Strengthen Civil Society (\$500,000 DA): USAID will offer training courses (half to full day only) to PVOs and other U.S. NGOs on topics such as strategic and funding priorities and procurement procedures so that potential PVO/NGO partners can better understand how to present their interests in ways that donors can perceive the match of U.S. NGO skills and abilities with investment priorities and available funding. In addition, USAID will work with other offices and missions throughout the Agency to make available Web-based information that is more user-friendly and accessible to potential partners. In addition, there is a growing number of U.S. and overseas organizations addressing the issue of organizational standards (i.e., established and recognized principles and practices which can be measured and documented) and offering accreditation or certification that NGOs meet specific standards to a sufficient degree to merit some recognition of achievement. USAID will provide information, in terms of Web links, handouts and responses to questions, on these standards to organizations and encourage potential NGO partners to participate in one of these external standards programs as part of ongoing organizational self-improvement efforts. USAID will not fund organizational self-improvement of potential new NGO partners. The intent of this activity is to encourage potential NGO partners to address programmatic and management improvements independently as a way of enhancing their attractiveness as high quality funding recipients to donors in general. Partners: TBD.

FY 2006 Program: Strengthen Civil Society (\$500,000 DA): Depending upon demand, USAID will continue to offer training courses on topics of particular interest to potential NGO partners. The focus will continue to be on helping potential partners to better understand how USAID and other donors work and what they expect of grant partners so that NGOs can better prepare proposals based on needs and expectations. USAID will also continue to improve and expand Web-based information that is user-friendly and accessible to potential partners. Information will continue to include organizations addressing NGO standards and certification. Partners are to be determined.

Performance and Results: Because this strategic objective will be initiated this year (2005), there are no results to report to date. By the end of this objective, the Office of Private and Voluntary Cooperation (PVC) expects to have in place a program by which NGOs, both U.S. and indigenous, can better attract development investment funding, from USAID, other donors, the private sector, and other sources, for

development activities. This program will include information on where NGOs can seek training and other assistance to improve their internal management operations as well as on how they can better coordinate their skills and interests with those of donors such as USAID.

US Financing in Thousands of Dollars

Office of Private and Voluntary Cooperation

963-003 Strengthen Civil Society	DA
Through September 30, 2003	
Obligations	0
Expenditures	0
Unliquidated	0
Fiscal Year 2004	
Obligations	0
Expenditures	0
Through September 30, 2004	
Obligations	0
Expenditures	0
Unliquidated	0
Prior Year Unobligated Funds	
Obligations	0
Planned Fiscal Year 2005 NOA	
Obligations	500
Total Planned Fiscal Year 2005	
Obligations	500
Proposed Fiscal Year 2006 NOA	
Obligations	500
Future Obligations	0
Est. Total Cost	1,000